

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7319
BILL NUMBER: SB 501

DATE PREPARED: Jan 17, 2002
BILL AMENDED:

SUBJECT: Educational facilities.

FISCAL ANALYST: Chuck Mayfield
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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill provides authorization for: (1) the Budget Agency to enter into a lease with the Columbus Learning Center Management Corporation; and (2) the trustees of Indiana University to issue bonds and enter into agreements to provide dormitories or other housing facilities for students at the IUPUI regional campus.

Effective Date: Upon passage.

Explanation of State Expenditures: (Revised) The bill allows the State Budget Agency to enter into a lease with the Columbus Learning Center Management Corporation if the lease rental revenue bonds for the Columbus Learning Center do not exceed \$25 M. P.L. 291-2001 (the budget bill) contained a \$2 M appropriation from the Build Indiana Fund to provide funding for the Columbus Learning Center. The fiscal impact would depend on the lease negotiated between the Columbus Learning Center and the Budget Agency. The approximate cost of funding a \$25 M bond at 5% interest is about \$2 M per year. The lease would also cover the cost of operating the Columbus Learning Center. The current estimate of the possible annual cost of the lease is about \$3.5 M per year. The Department of Workforce Development, Indiana University, Purdue University, and Ivy Tech State College are listed as entities that might use the facility.

The bill also authorizes bonding of up to \$40,000,000 for Indiana University-Purdue University at Indianapolis to build dormitories or other housing facilities for single or married students. The bond would be paid from room and board payments and is not eligible for fee replacement.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Budget Agency, Department of Administration, Indiana University, and Purdue University

Local Agencies Affected:

Information Sources: